

1 THOMAS C. HORNE  
2 The Attorney General  
3 Firm No. 14000

4 Ann Hobart, No. 019129  
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7 Civil Rights Division  
8 1275 West Washington Street  
9 Phoenix, AZ 85007  
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Attorneys for Plaintiff

10 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA  
11 IN AND FOR THE COUNTY OF PIMA

12 THE STATE OF ARIZONA *ex rel.* THOMAS  
13 C. HORNE, the Attorney General, and THE  
14 CIVIL RIGHTS DIVISION OF THE  
ARIZONA DEPARTMENT OF LAW,

15 Plaintiff,

16  
17 v.

18 MAUISUN COMPUTER SYSTEMS, INC.,  
19 an Arizona corporation, d/b/a Freedom Smoke  
20 USA,

21 Defendant.

No. C20124172

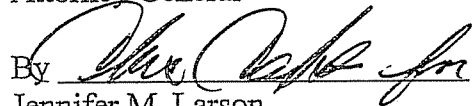
22  
23 STIPULATION TO  
24 CONSENT DECREE


(Honorable Richard E. Gordon)

25 Plaintiff the State of Arizona ("State") and Defendant Mauisun Computer Systems, Inc.  
26 ("Defendant") hereby stipulate and agree to entry of a Consent Decree, in the form attached as  
27 Exhibit A, to resolve all of the State's claims in the above-captioned case.  
28

1 RESPECTFULLY SUBMITTED this 22nd day of October, 2012.

2  
3 Thomas C. Horne  
4 Attorney General

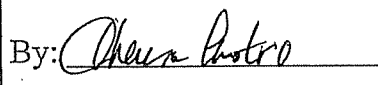
5 By   
6 Jennifer M. Larson  
7 Ann Hobart  
8 Assistant Attorneys General  
9 Attorneys for State of Arizona

By   
Paul A. Loucks  
Mesch, Clark & Rothschild, P.C.  
Attorneys for Defendant

10 CERTIFICATE OF SERVICE

11  
12 I hereby certify that on this 22nd day of October, 2012, a copy of the filed  
13 original STIPULATION TO CONSENT DECREE was sent via Regular US mail to:

14 Paul A. Loucks  
15 Mesch, Clark & Rothschild, P.C.  
16 259 North Meyer Avenue  
17 Tucson, AZ 85701  
18 Attorneys for Defendant

19 By: 

20 #2884871  
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# EXHIBIT A

1 THOMAS C. HORNE  
2 The Attorney General  
3 Firm No. 14000

4 Anni Hobart, No. 019129  
5 Jennifer Larson, No. 025028  
6 Assistant Attorneys General  
7 Civil Rights Division  
8 1275 West Washington Street  
9 Phoenix, AZ 85007  
Telephone: (602) 542-8860  
CivilRights@azag.gov  
Attorneys for Plaintiff

10 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**  
11 **IN AND FOR THE COUNTY OF PIMA**

12 THE STATE OF ARIZONA *ex rel.* THOMAS  
13 C. HORNE, the Attorney General, and THE  
14 CIVIL RIGHTS DIVISION OF THE  
ARIZONA DEPARTMENT OF LAW,

15 Plaintiff,

16 v.  
17

18 MAUISUN COMPUTER SYSTEMS, INC.,  
19 an Arizona corporation, d/b/a Freedom Smoke  
20 USA,

21 Defendant.

No. C20124172

**[PROPOSED] CONSENT DECREE**

(Honorable Richard E. Gordon)

22 On July 6, 2012, Plaintiff the State of Arizona ("State") filed the above-captioned  
23 lawsuit in Pima County Superior Court against Defendant Mauisun Computer Systems, Inc.  
24 ("Defendant"), alleging that Defendant discriminated against Lupita Lopez ("Lopez") and other  
25 similarly situated female employees, including Maria Cornejo and Yareli Sierra, in violation of  
26 A.R.S. § 41-1463 and retaliated against such employees in violation of A.R.S. § 41-1464(A).  
27 Defendant has denied and continues to deny the allegations of the Complaint.  
28

1                   **COMPROMISE OF DISPUTED CLAIMS**

2           The State and Defendant desire to resolve the issues raised in the Complaint to avoid the  
3 time, expense, and uncertainty of further contested litigation. The State and Defendant  
4 expressly acknowledge that this Consent Decree is the compromise of disputed claims, that  
5 Defendant denies all the claims, and that there has been no adjudication of any claim or finding  
6 of any liability on the part of Defendant. Defendant and the State agree to be bound by this  
7 Consent Decree and to not contest that it was validly entered into in any subsequent proceeding  
8 to implement or enforce its terms. The parties therefore have consented to its entry, waiving  
9 trial, findings of fact, and conclusions of law.

10           It appearing to the Court that entry of this Consent Decree will further the objectives of  
11 the Arizona Civil Rights Act ("ACRA"), and that its terms fully protect the parties and the  
12 public with respect to the matters within its scope, **IT IS SO ORDERED, ADJUDGED AND**  
13 **DECREED AS FOLLOWS:**

14                   **JURISDICTION**

15           1.     This Court has jurisdiction over the subject matter of this action and over the  
16 parties, and venue in Pima County is proper. The allegations of the Complaint, if proved, are  
17 sufficient to state claims upon which relief could be granted against Defendant under the  
18 ACRA.

19                   **RESOLUTION OF THE LAWSUIT**

20           2.     This Consent Decree resolves all issues set forth in the Complaint.

21                   **NO RETALIATION**

22           3.     Defendant will not retaliate against any person in any way for that person's  
23 opposition to a practice made unlawful by the ACRA, or for their participation in the State's  
24 proceedings or litigation, and will make any future employment decisions concerning parties  
25 and witnesses on a nondiscriminatory basis.

26                   **POSTER**

27           4.     Defendant agrees to keep posted at all times in a conspicuous, well-lighted  
28 place frequented by the business's employees and applicants for employment, in each location  
the business maintains and operates within the State of Arizona, a poster which states, in

1 English and Spanish, that discrimination in employment based on race, color, religion, age  
2 (40 and older), sex, national origin, results of genetic testing or disability is prohibited.

### 3 **ANTI-DISCRIMINATION POLICIES**

4 5. Defendant agrees to comply fully with the provisions of the ACRA (A.R.S. § 41-  
5 1401, et seq., as amended) and that all such business's employment practices, including hiring  
6 processes, and the terms, conditions and privileges of employment, will be conducted and  
7 maintained in a manner which does not discriminate on the basis of race, national origin, color,  
8 disability, sex, religion, genetic testing or age.

9 6. Within sixty (60) days, Defendant will create a written employment policy for  
10 such business, subject to review by the Arizona Civil Rights Division ("ACRD"), prohibiting  
11 sexual harassment as defined by federal and Arizona law, and setting out a procedure for  
12 complaining of allegations of sexual harassment without suffering retaliation. At a minimum,  
13 this policy will contain:

- 14 i. a strong and clear statement that sexual harassment is against state and federal  
15 law and will not be tolerated in the workplace;
- 16 ii. a statement encouraging persons who believe they have experienced sexual  
17 harassment at work to complain of sexual harassment and that such complaints  
18 may be made to the ACRD;
- 19 iii. the phone number, website, and physical address of the ACRD;
- 20 iv. a statement that unlawful discrimination and/or retaliation violates state and  
21 federal civil rights laws;
- 22 v. a statement of assurance of non-retaliation for persons who believe they have  
23 been subjected to sexual harassment and for witnesses interviewed during an  
24 investigation into allegations of harassment.

25 Also within sixty (60) days, Defendant agrees to provide a copy of the policy to Jennifer  
26 Larson, Assistant Attorney General ("AAG Larson"), Arizona Attorney General's Office, 1275  
27 W. Washington Street, Phoenix, Arizona 85007, or her successors, for the ACRD's review.  
28 Within ten (10) days of receiving the ACRD's approval, Defendant will disseminate the policy  
to all employees.

1.                   **TRAINING**

2           7.     Prior to the entry of this Consent Decree, Defendant has provided two (2) hours  
3 of new training regarding employment discrimination, workplace harassment and investigation  
4 techniques for complaints of sexual harassment to its managers and one (1) hour of new  
5 training regarding employment discrimination and workplace harassment to its employees.

6           8.     During the length of this Consent Decree, Defendant will distribute to all  
7 supervisory and management employees all policies and procedures developed or modified  
8 pursuant to this Decree.

9                   **MODIFICATION**

10          9.     There will be no modification of this Consent Decree without the written consent  
11 of all the parties and the further order of the Court. In the event of a material change of  
12 circumstances, Defendant and the State agree to make a good faith effort to resolve this matter.  
13 If the parties are unable to reach agreement, either party may ask the Court to make such  
14 modifications as are appropriate.

15                   **CONTINUING JURISDICTION OF THE COURT**

16          10.    The Court will retain jurisdiction over both the subject matter of this Consent  
17 Decree and the State and Defendant for two (2) years from the date of its entry to effectuate and  
18 enforce it. The State may, for good cause shown, petition this Court for compliance with this  
19 Consent Decree at any time during the period that this Court maintains jurisdiction over this  
20 action. Should the Court determine that Defendant has not complied with its terms, appropriate  
21 relief, including extension of this Consent Decree for such period as may be necessary to  
22 remedy its non-compliance, may be ordered. In the event the parties have not stipulated and the  
23 court has not ordered an extension of this Consent Decree, the Consent Decree will  
24 automatically expire and the Court will lose jurisdiction over this action two (2) years after  
25 entry of the Consent Decree.

26                   **MONETARY RELIEF TO THE AGGRIEVED PARTY**

27          11.    Ms. Lopez, Ms. Cornejo and Ms. Sierra are pursuing their remedies in a separate  
28 lawsuit currently pending in federal district court.

1                   **RELEASE**

2           12.    Except for the obligations of Defendant that are expressly set forth in this Decree,  
3 Defendant and its past, present, and future officers, employees, agents, affiliates, parents,  
4 successors and assigns are released from any and all civil liability to the State for the claims  
5 alleged in the Complaint.

6                   **MISCELLANEOUS PROVISIONS**

7           13.    The Consent Decree will be binding on the State and Defendant, as well as  
8 Defendant's agents, employees, successors, assigns and all persons in active concert or  
9 participation with Defendant.

10          14.    The State and Defendant represent that they have read this Consent Decree in its  
11 entirety and are satisfied that they understand and agree to all of its provisions, and represent  
12 that they have freely signed this Consent Decree without coercion.

13          15.    This Consent Decree will be governed in all respects by the laws of the State of  
14 Arizona.

15          16.    The State and Defendant will bear their respective attorneys' fees and costs  
16 incurred in this action up to the date of entry of this Decree. In any action brought to assess or  
17 enforce the State's or Defendant's compliance with the terms of this Decree, the court may in its  
18 discretion award reasonable costs and attorneys' fees to the prevailing party.

19                   **EFFECTUATING CONSENT DECREE**

20          17.    The parties agree to the entry of this Consent Decree upon final approval by the  
21 Court. The effective date of this Consent Decree will be the date that it is entered by this Court.

22  
23                   ENTERED AND ORDERED this 29<sup>th</sup> day of October 2012.

24  
25                                           **CHARLES V. HARRINGTON**

26                                           *For*                                             
                                          The Honorable Richard E. Gordon



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**CONSENT TO DECREE**

1. On behalf of Defendant Mauisun Computer Systems, Inc., I acknowledge that I have read the foregoing Consent Decree, and that Defendant Mauisun Computer Systems, Inc. is aware of its right to a trial in this matter and has waived that right.

2. Defendant Mauisun Computer Systems, Inc. agrees to the jurisdiction of the Court, and consents to entry of this Consent Decree.

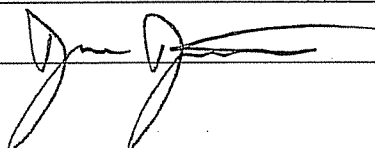
3. Defendant Mauisun Computer Systems, Inc. states that no promise of any kind or nature whatsoever (other than the terms of this Consent Decree) was made to induce it to enter into this Consent Decree, that it has entered into this Consent Decree voluntarily, and that this Consent Decree constitutes the entire agreement between the parties.

4. I, DAVID DETLOFF am the V.P./C.O.O. of Mauisun Computer Systems, Inc., and as such, am authorized by Mauisun Computer Systems, Inc. to enter into this Consent Decree for and on its behalf.

5. I further state that Defendant Mauisun Computer Systems, Inc. has been represented by counsel in this case, and that the terms of this Consent Decree have been explained to me to my satisfaction, and are fully understood by me.

DATED this 12 day of OCTOBER, 2012.

Mauisun Computer Systems, Inc.

By DAVID DETLOFF  
Its 

1 State of Arizona )

2 ) ss.

3 County of Pima )

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SUBSCRIBED AND SWORN to before me this 16<sup>th</sup> day of October, 2012,

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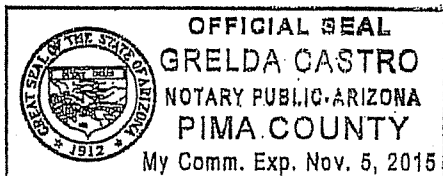
By David Detloff.

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*Grela Castro*  
Notary Public

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My Commission Expires:

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11-5-2015

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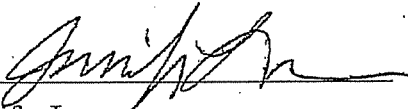
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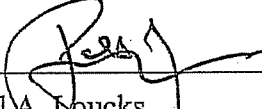
1 APPROVED AS TO FORM AND CONTENT

2  
3 THOMAS C. HORNE  
4 Attorney General

5  
6  
7 By   
8 Jennifer Larson  
9 Assistant Attorney General

10 Date 10/18/2012

MESCH, CLARK, & ROTHCHILD, P.C.

11  
12  
13 By   
14 Paul A. Doucks  
15 Attorney for Defendant

16 Date Oct 16, 2012